



COUNTY OF LOS ANGELES  
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TO: SUPERVISOR ZEV YAROSLAVSKY, Chairman  
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FROM: LLOYD W. PELLMAN   
County Counsel

RE: **Update on Lawsuit on Dependents and Social Security Funds  
United States Supreme Court Grants Review**

This is to advise you that on May 28, 2002, the United States Supreme Court agreed to review the Washington Supreme Court decision in *Guardianship of Keffeler v. Washington Dept. of Social Services* which prohibited social service agencies from using dependent children's benefits to reimburse the state for the costs of foster care. Because the United States Supreme Court can effectively affirm a lower court's decision by declining to review it, the Court's decision to grant certiorari indicates that it may reverse the *Keffeler* ruling.

The *Keffeler* decision inspired a class action complaint against the County and our Department of Children and Family Services (DCFS). The case was filed by former dependent Omar Azzam and alleges that the County's practice of applying for and using a foster child's Social Security benefits for the current maintenance and care of the child violates the Social Security Act.

Our defense of the case is that the County's procedures in using such benefits are consistent with federal and state regulations and, therefore, are legal. DCFS estimates that it currently receives \$5.5 million annually in Social Security benefits for dependent children which is used to offset the costs of foster care.

It is likely that the United States Supreme Court's decision will address many, or all, of the issues presented in the class action pending against the County. Thus, we anticipate that the federal district court judge will stay the proceeding against the County until the United States Supreme Court has ruled, which may be 12 to 18 months.

c: David E. Janssen.  
Chief Administrative Officer

Violet Varona-Lukens  
Executive Officer, Board of Supervisors

Anita Bock  
Director, Department of Children and Family Services